

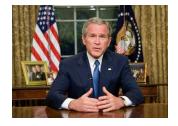
May 16, 2006

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President Bush strives for middle ground on immigration reform

Calling on America to be a "lawful society and a welcoming society at the same time," President Bush outlined a plan that aimed for middle ground between strongly divergent

positions on immigration reform. "We're a nation of laws, and we must enforce our laws. We're also a nation of immigrants, and we must uphold that tradition, which has strengthened our country in so many ways. These are not contradictory goals," President Bush said last night during a televised address from the Oval Office. Bush promised to temporarily deploy up to 6,000 National Guard troops to provide logistical support for the Border Patrol along the Mexican frontier until more agents



could be hired. Of particular importance to the agricultural industry, he **reiterated his proposal for a guest worker program---giving some immigrants the right to work here temporarily.** But he also proposed to **strengthen enforcement by creating an identification card system for foreign workers that would include digitized fingerprints**.

Senate starts work on immigration package

The President's speech was delivered just as the Senate began debate on S.2611, the Comprehensive Immigration Reform Act of 2006. This bill is based on a compromise brokered by Senators Chuck Hagel (R-NE) and Mel Martinez (R-FL) that stalled earlier this spring. Senate Majority Leader Bill Frist, (R-TN), and Minority Leader Harry Reid, (D-NV)., reached a deal to revive the bill and allow a series of amendments. On Tuesday, the Senate **rejected the first attempt to block or delay a temporary guest worker program and a path to earned citizenship for most of the 11 million to 12 million illegal immigrants in the US.** An amendment by Georgia Republican Johnny Isakson, defeated 40-55, would have required the Homeland Security Department to certify that U.S. borders are secure and new detention facilities are fully operational before the guest worker and legalization programs could take effect. Instead, the Senate adopted, 79-16, an amendment by Ken Salazar 9D-CO) that would authorize President Bush to trigger implementation of the guest worker and legalization provisions by certifying that they would strengthen the national security of the US. Frist said he hopes to pass the bill by Memorial Day, but most sources suggest that timeline is extremely optimistic.

Tax package clears House and Senate

After months of back and forth squabbling, GOP congressional leaders handed President Bush a long-sought victory May 11 by clearing a \$70 billion tax cut package. The House handily adopted the conference report on the measure on a largely party-line vote of 244-185. The next day, the Senate cleared the measure for the president's signature on a closer 54-44 vote. In the floor debate in both chambers, GOP lawmakers lauded the package as wideranging tax relief for the middle class that would help fuel- economic growth. A recent surge in tax receipts has given Republicans cause to crow: their tax cuts---\$2 trillion in all over this decade -- have stimulated the economy and have, at least partially, paid for themselves. "The bill is focused on preventing tax increases, not cutting taxes," said Senate Finance Chairman Charles Grassley, (R-IA), who chaired the tax conference. Grassley said Congress was simply extending major Bush tax cuts enacted in 2001 and 2003. These include the maximum 15% rate for capital gains and dividends, set to expire in 2008, which was extended for two years to 2010. Also included in the package is a one-year "patch" for 2006 that would shield about 15 million middle-income taxpayers from the effects of the alternative minimum tax (AMT). **Democrats called the package a windfall** for the wealthiest taxpayers, said it was fiscally irresponsible and complained it would not do enough for the middle class.

Second tax package on the way

Grassley said he signed the conference report because he is confident of a deal on the second bill, which is set to contain extensions of popular tax cuts including the expired research-and-development tax credit and the college tuition tax credit. Neither Thomas nor Grassley disclosed details of what had been agreed upon for the second package. But a Senate GOP aide said negotiators had endorsed a rough outline that would include a one-year extension of the "core" business tax cut extensions, including the research-and-development credit. They also had agreed to include a two-year extension of the expiring local and state sales tax deduction for filers in states without an income tax. Grassley said he thinks a second tax package will be cleared before Congress recesses for Memorial Day.

Rove says veto not needed, Senators petition for disaster aid

Negotiators working on a supplemental appropriations package for war costs and agricultural disaster relief should be able to shrink the package back down to size---at least enough to avert a first-ever veto by President Bush. That was the message from Karl Rove, the president's chief political adviser, after a speech on economic policy at the American Enterprise Institute Monday. The House-passed measure is a relatively lean \$91.9 billion, compared with the Senate's \$108.9 billion bill. Negotiators hope to close that \$17 billion gap and reach a conference deal by Memorial Day.

House leaders have already **signaled their unwillingness** to accept the higher number from the Senate. But a group of Senate Democrats: Mark Dayton (MN), Byron Dorgan and Kent Conrad of North Dakota, Colorado's Ken Salazar and Blanche Lincoln of Arkansas **launched online petitions on their web sites to gather support for the higher level of funding,** including \$4 billion for agricultural disasters. Dorgan says he worries the House is now trying to strong-arm the Senate by not coming to the negotiating table until the Senate gives

in on non-war and non-hurricane spending. In fact - as of Tuesday - the House hadn't even appointed negotiators.

EWG report cites inequities in disaster package

The Senate Appropriations Committee's \$3.9 billion package of disaster assistance to agriculture includes a 30% increase in all "fixed direct payments" made to crop farmers in the 2005, representing about \$1.56 billion. But the majority of America's farmers, ranchers and rural residents will be excluded from the new subsidy, according to an analysis recently released by the Environmental Working Group (EWG). **Over half of the proposed \$1.5** billion bonus subsidy would be paid out to recipients in just 20 of the nation's 435 congressional districts, according to their analysis. EWG says the contrast is evident in the leadership of the House Agriculture Committee. Top committee Democrat Collin Peterson's district (MN-7) will rank eighth for the bonus subsidy, and stands to receive \$40,521,149. Republican Committee Chairman Bob Goodlatte's (VA-6) district will rank 194 for bonus subsidy payments, collecting just over \$340,000.

Even within the top 20 districts for the proposed bonus subsidy a substantial number of farms and ranches will not qualify because they have not been subsidy recipients in the past, points out EWG. An average of 38% of the farms and ranches would be left out, ranging from 22% in Rep. Earl Pomeroy's (D) At-Large District of North Dakota, to over 82% in Republican Wally Herger's (CA)"Even worse, a substantial share of the bonus subsidy will go not to the farm operators who actually incurred the higher energy costs last year, but to those who own land registered for USDA subsidies and rent it out to working farmers." EWG estimates that at least 9% of the money will go to non-farming land owners, many of them absentee," says EWG President Ken Cook. For a list of subsidies by district go to: http://www.ewg.org/reports/agsupp2006/progdetail.php?fips=00000&progcode=total_dp&p age=district).

Ag Appropriations measure heads to House floor

A wide variety of amendments are expected as the House begins consideration of the fiscal year 2007 agriculture appropriations bill Wednesday. The bill provides more than \$18 billion in total discretionary spending, a decline of \$96 million from this fiscal year, but \$564 million over the White House budget request. Wisconsin Congressman David Obey, who was successful in extending the Milk Income Loss Contract program by one month as part of the committee's package, is expected to offer additional amendments. The original bill dropped the month of September from MILC. "By doing so, they effectively changed the CBO budget baseline for agriculture," said Obey, "What that means is when the farm bill is reconsidered next year, there will be no budget baseline money for dairy; that means when the dairy program is renewed, that money is going to have to come out of the hide of every other farm program."

Deeper cuts in farm subsidies for a WTO deal?

Despite a very aggressive farm program reform proposal offered last fall, world trade negotiators keep asking if US lawmakers would be willing to do more. The answer thus far: a resounding "no." Director General Pascal Lamy called both Senate Agriculture Committee Chairman Saxby Chambliss and Senate Finance Committee Chairman Charles Grassley last

week to suggest that even greater concessions could be made in order to advance the global trade talks. Hill sources told A-P that both Chairmen reassured Lamy that the US reform proposal was as far as they could expect to go politically and that this was achievable only if they saw substantial openings in market access.

US Farm Groups find plenty of pessimism during WTO trip

Representatives of U.S. farm organizations who participated in meetings with key World Trade Organization negotiators in Geneva last week described the situation as "pessimistic" and "lacking in flexibility." "No one was willing to give up, but most suggested that prospects for success appear remote," noted one of the participants, who spoke on background. Almost all delegates expressed the belief that the EU needed to offer substantially more on market access and the U.S. needed to offer at least a little more on domestic supports. The recent visit of U.S Trade Ambassador Rob Portman, Secretary Mike Johanns and Deputy USTR Susan Schwab convinced other delegates that the U.S. had little or no flexibility to go beyond the current 60% U.S. offer on the amber box. Developed country representatives felt that recent statements by the G-33 group of developing countries, which oppose almost any market access concessions, represented a serious blow to the negotiations at this late stage. They appear to be standing by their proposal that at least 20% of their tariff lines be eligible for 'special product' status and therefore protected. Instead of seeking to compromise, there was a feeling that some countries were hardening their positions and making progress even more difficult.

Beef sales to China expected to resume within weeks

A delegation from the U.S. and Chinese governments concluded two days of negotiations to establish a protocol for the resumption of U.S. beef sales to China and expressed optimism about trade resuming before the end of June. "We've made considerable progress with China during these discussions to reopen their market to U.S. beef and we will meet again soon to conclude the talks," said Under Secretary for Farm and Foreign Agricultural Services J.B. Penn. "We also developed and completed a memorandum of cooperation that provides a basis for addressing food safety issues on an ongoing basis." The discussions in Beijing follow the 17th U.S.-China Joint Commission on Commerce and Trade (JCCT) meeting in Washington last month at which China agreed to reopen its market to U.S. beef with the development of a science-based trading protocol, consistent with World Organization for Animal Health (OIE) guidelines. The U.S. delegation was led by Penn and included representatives from USDA agencies, the Food and Drug Administration (FDA) and Office of the U.S. Trade Representative (USTR). The Chinese delegation was led by the Administration of Quality Supervision Inspection and Quarantine (AQSIQ) Vice Minister Ge Zhirong and included various representatives from the Chinese government.

In addition, USDA officials are now traveling to Japan to continue discussions on the resumption of U.S. beef sales to that country. Deputy Under Secretary for Marketing and Regulatory Programs Chuck Lambert and Ellen Terpstra, Deputy Under Secretary for Farm and Foreign Agriculture Services, are leading the delegation to Japan. During the three days of senior-level talks, the U.S. is expected to present a report on the recent inspections it conducted at its meatpackers to check their handling of products and compliance with bilaterally agreed export requirements to safeguard against BSE.

Good trading, Vietnam

U.S. agricultural exports to Vietnam, already at record levels, could increase dramatically with the agreement "in principle" this week of a bilateral market access pact with the Southeast Asian nation. And U.S. trade officials say the agreement, which would lower trade barriers to a wide range of agricultural and industrial products and service, will help facilitate Vietnam's accession to the World Trade Organization. "Vietnam recognizes that broad-based reform and economic liberalization are essential to its integration into the global economy," said U.S. Trade Representative Rob Portman. The agreement faces scrutiny from Congress, which must grant Vietnam permanent normal trade relations status before the country can join the WTO.

A senior U.S. trade official said about three-fourths of U.S. agricultural exports to Vietnam will see duty rates fall to 15% or less, including cotton, selected beef products, pork, variety meats, whey, grapes, apples, pears and soybeans. He said the agreement is a continuation of political and economic reform in Vietnam, which includes increased transparency in commercial activity and better compliance with trade rules. "As a result of the negotiation, Vietnam has made numerous improvements to its implementation of WTO rules on sanitary and phyto-sanitary measures, including the establishment of a WTO-consistent inquiry point." The Vietnamese have also agreed to recognize U.S. meat inspection systems as the equivalent of their own inspection systems.

"This is a fantastic agreement for U.S. pork producers," said National Pork Producers Council President Joy Philippi, a pork producer from Bruning, NE. With an ongoing decline in U.S. consumer demand for meat, the latest trade agreement will help keep pork exports at "unprecedented" levels and keep U.S. live hog prices at acceptable levels, she said. A trade agreement would do nothing but boost an already growing U.S. agricultural export market in Vietnam. U.S, ag exports have more than doubled in the past five years, growing from \$80 million in 2001 to a record \$192 million last year. Leading the way were dairy products, which jumped from not quite \$10 million in 2001 to more than \$50 million in 2005. U.S. cotton exports grew from nearly \$29 million five years ago, to more than \$66 million in 2004, before dipping to a little less than \$47 million last year.

Biofuels bonanza? High oil prices create new policy environment

What a difference \$70 a barrel oil makes! Just a couple of years ago, biofuels advocates treaded extremely lightly on Capitol Hill when asking for more tax incentives or higher levels of mandates—fearing that they'd be shot down by asking for too much. **Now, it seems like the requests---and new pieces of legislation----can't flow fast enough**. In recent days, Democrats in both the House and Senate unveiled renewable energy packages and the GOP leadership is expected to offer their own version in early June.

For example, Leaders of the **American Coalition for Ethanol** (ACE) held a teleconference Monday morning to promote a new legislative proposal on ethanol. According to ACE Executive Vice President Brian Jennings, the proposal would expand the existing Renewable Fuels Standard program, extending ethanol production and use tax credits, and providing incentives and mandates to guarantee more E-85 pumps and more flex fuel vehicles on the road. Most of the ACE ethanol plan is be included in a bill slated for introduction in the

Senate by Iowa Democrat Tom Harkin and Indiana Republican Richard Lugar. (Read more on the Harkin-Lugar package, page 7.)

The American Soybean Association held a press conference last week to outline changes the grower organization would like to see to further enhance biodiesel production. ASA wants Congress to extend the biodiesel tax incentive and small producer's tax credit - as well as extending the CCC Bioenergy Program. The group also warned about the potential for a biodiesel prices to increase dramatically this summer, in response to new sulfur regulations. "I hate to call it a train wreck, but we are anticipating the diesel fuel world will be in extreme turmoil this summer," said John Campbell with Ag Processing Inc. The new sulfur regulations begin next month.

House Democrats unveil biofuels package

A group of leading House Democrats unveiled their plan to boost the biofuel industry during a press conference last week. Developed by the Rural Working Group, their proposal would rapidly expand the production and distribution of biofuels; encourage the deployment of new engine technologies for flex fuel, hybrid and biodiesel vehicles; and encourage what they describe as "cutting-edge research" to develop the next revolution in renewable energy.

"This legislation sets a path to energy independence for the United States that is fueled by our nation's rural communities," said Agriculture Committee Ranking Democrat Collin Peterson (D-MN). "The Rural Working Group's proposal includes practical solutions that will expand ethanol and biodiesel production and will make sure that Americans can find flex-fuel vehicles at auto dealerships and biofuels at local gas stations."

"Rural Americans are being hit particularly hard by high gas prices," said U.S. Rep. Bob Etheridge (D-N.C.), who Co-chair the Rural Working Group, along with Rep. Stephanie Herseth (D-SD). "However, our farmers and our economy stand to benefit from this crisis if we make a commitment to change the way we get our fuel. The answer to our fuel crisis is growing in our fields." Highlights of their bill:

- Doubles the percentage of renewable fuels sold in America in six years.
- Makes sure that biodiesel and cellulosic sources, such as switchgrass, are a key part
 of that increase.
- Extends tax credit for ethanol and biodiesel through 2015 and increases tax benefits to small ethanol producers.
- In seven years, 75% of all cars made in America would be flex-fuel cars.
- Increases the number of gas stations offering ethanol (E-85) and biodiesel through new incentives and requirements.
- Invests in biofuels research to make biofuel production more efficient, and environmentally sound.
- Spurs cutting-edge research to develop new processes for turning other farm products, such as switchgrass and woodchips, into biofuels.
- Fosters new vehicle efficient technologies through research and development.
- Provides federal incentives to smaller ethanol and biofuel plants, so that independent, locally-owned facilities that produce biofuels can grow and thrive, improving our rural communities.

Harkin and Lugar join forces to boost RFS, improve distribution

Late Tuesday, Senator Tom Harkin (D-IA) and Dick Lugar (R-IN), along with Joseph Biden (D-DE), Byron Dorgan (D-ND) and Tim Johnson (D-SD), introduced legislation calling for their own biofuels policy. "This ambitious bi-partisan legislation will boost production and use of biofuels while reducing our dangerous and costly addiction to foreign oil," Harkin said. "With soaring fuel prices, we must take a much more aggressive approach to boosting home grown biofuels." Here's a brief summary of Harkin's proposal:

- **A bold new RFS:** Calls for 60 billion gallons of ethanol and biodiesel to be included in the US motor vehicle fuel supply annually by the year 2030. It calls for boosting ethanol and biodiesel production to 10 billion gallons annually by 2010, 30 billion gallons by 2020 and then 60 billion gallons by 2030.
- Greater Availability of E85 pumps: Harkin's legislation calls for increasing the number of gasoline stations that carry blends of 85% ethanol (E85) by requiring large oil companies to install E85 pumps at their stations, increasing by five percentage points annually over the next 10 years, resulting in 50% of branded gasoline stations having E85 pumps. This would ensure that approximately 25% percent of all gasoline stations nationwide have E85 pumps available within a decade. The legislation would also provide tax incentives for installation of E85 pumps and ensures oil companies do not discriminate against installation of E85 pumps at their gas stations.
- More flex-fuel vehicles (FFV's): The bill would direct automakers to gradually increase flex-fuel vehicle production, increasing in ten percentage-point increments annually, until nearly all vehicles sold in the U.S. are FFV's within 10 years. Currently, flex-fuel vehicles -- those able to use both regular gasoline and blends of up to 85% ethanol (E85) make up only about two percent of vehicles on the road today.

Suspend ethanol tariff? Not likely now...

The Bush Administration's recent suggestion that lifting the tariff on imported ethanol might ease some of what they described as "shortages" seems to be dying a rather quick death on Capitol Hill. The proposal has drawn strong opposition in recent days from Republican lawmakers who would be instrumental in moving any tariff reduction through Congress -- including House Speaker Dennis Hastert (R-Ill.) and Senate Finance Committee Chairman Chuck Grassley (R-Iowa). Domestic ethanol interests also have made clear their vigorous opposition to any effort to suspend the tariff. Less than one week after House Majority Leader John Boehner (R-Ohio) indicated he might have the votes to lift the tariff, he issued a statement indicating that he will not pursue a vote on this issue.

California wheat shipments can head south of the border again

Wheat shipments from California to Mexico have resumed after a 10-year ban due to Karnal bunt. "I'm pleased that Mexico has opened its market to California wheat," said Secretary Mike Johanns. "Mexico's action supports science as the language for international trade." Mexico banned wheat from the southwestern US after the first detection of Karnal bunt in Arizona in 1996. In June 2005, the US and Mexico agreed to recognize certain wheat-producing areas in California, Arizona, Texas and New Mexico as free of Karnal bunt,

with the exception of those areas still regulated by USDA because of the disease. As part of the agreement, the US now recognizes five Mexican states as meeting the requirements for Karnal bunt-free status. Mexico ranks as the United States' third largest foreign market for wheat, setting record-high sales of \$459 million in 2004. California's first shipment to Mexico, which departed on May 5, is 7,500 metric tons and is valued at approximately \$2 million.

Names in the News

Susan Schwab, President Bush's choice to be the country's top trade negotiator, fielded a wide variety of questions during a confirmation hearing before the Senate Finance Committee Tuesday----ranging from encouraging the Chinese to revalue their currency and placing more pressure on Brazil and India to stop blocking trade liberalization in the global trade talks. Members of the Finance panel indicated Schwab, a longtime trade expert in Washington who since last November has been a deputy trade representative in the administration, would win quick Senate approval. **Chairman Chuck Grassley** said he hoped her nomination could be approved by the committee and the full Senate next week.

The U.S. Senate confirmed **four new USDA appointments this week**, including: **Gale Buchanan** will lead USDA's Research, Education and Economics (REE) mission area as under secretary. Buchanan served as dean and director emeritus at the College of Agricultural and Environmental Sciences at the University of Georgia until April 2005. Earlier in his career he served for 20 years on the Auburn University faculty before moving to Georgia as associate director for the Georgia Agricultural Experiment Station and resident director of the Coastal Plain Experiment Station.

Boyd Rutherford will serve as assistant secretary for departmental administration. He currently serves as secretary for the Maryland Department of General Services. Previously, he served as associate administrator in the Offices of Performance Improvement and Small Business Utilization for the United States General Services Administration.

Linda Avery Strachan will serve as assistant secretary of agriculture for Congressional Relations. Strachan formerly served as director of Federal Government Affairs for the Monsanto Company. Prior to this, she served as special assistant to the assistant secretary of State in the Bureau of Oceans, International Environmental and Scientific Affairs at the Department of State. Earlier in her career, she served the United States Environmental Protection Agency as special assistant to the assistant administrator for the Offices of Pesticides and Toxic Substances as well as Policy, Planning and Evaluation.

Marc Kesselman will serve as general counsel of the Department of Agriculture. Kesselman currently serves as deputy general counsel in the Office of Management and Budget, where he previously served as associate general counsel. Previously, he served as senior counsel in the Office of Legal Policy at the Department of Justice. Prior to joining the Bush administration, Kesselman was an associate with Ropes & Gray, LLP. Earlier in his career, he served as a law clerk for the Honorable Julia S. Gibbons, Chief Judge, U.S. District Court in Memphis, TN.

By a voice vote, the Energy and Natural Resources Committee approved **Idaho Gov. Dirk Kempthorne's** nomination to be Interior Secretary. Sen. Larry Craig, (R-ID) a member of

the Energy and Natural Resources Committee, said he wants Kempthorne confirmed by Memorial Day. However, Mary L. Landrieu (D-La.) said she has placed a procedural hold on the nomination.

Smithfield Packing Company announced today it has achieved the USDA's Process Verified Program certification for all three of its pork processing plants, making Smithfield Packing the largest pork company in the world to be 100% process verified. Smithfield Packing has two plants in Smithfield, Va., and another in Tar Heel, N.C. The USDA Process Verified Program assures retailers and consumers that traceability, animal handling and environmental standards have been met and benchmarked for continual improvement. The program is modeled after the International Organization for Standardization's (ISO) 9000 quality management and quality assurance standards.

Archer Daniels Midland has selected Cedar Rapids, Iowa as the second location for its ethanol capacity expansion. ADM will build a dry corn milling plant with an initial annual capacity of 275 million gallon. The Iowa facility is adjacent to an existing ADM corn processing plant. This news follows a recent announcement of a 275 million gallon expansion in Columbus, Nebraska. Construction on the Cedar Rapids expansion is expected to be complete in the second half of 2008.

VeraSun Energy broke ground on its third ethanol bio-refinery. The Charles City, Iowa plant will produce 110 million gallons of ethanol annually, from 39 million bushels of corn. VeraSun is headquartered in Brookings and has existing ethanol plants in Aurora, South Dakota and Fort Dodge, Iowa.

US BioEnergy has plans to build a 100 million gallon-per-year ethanol plant near Grinnell, Iowa. The Brookings, South Dakota firm has a joint venture agreement with Big River Resources, which owns and operates an ethanol plant at West Burlington, Iowa. US BioEnergy has a variety of ethanol projects underway, including development deals in Hankinson, North Dakota and Janesville, Minnesota.

Texas officials announced plans last week for the nation's largest offshore wind farm, consisting of as many as 170 windmills out in the Gulf of Mexico. Houston-based **Superior Renewable Energy** will build and operate the project, which will be situated within about 10 miles of Padre Island. It is expected to cost \$1 billion to \$2 billion and should be ready in five years. Its 400-foot turbines would generate a total of 500 megawatts of electricity, or enough energy for 125,000 homes. The offshore farm is the second announced in less than a year for the Texas coast, joining 50 wind turbines planned off Galveston.

A federal district court ruled in favor of **Syngenta Seeds, Inc.,** ruling that one of **Monsanto's** patents for glyphosate-tolerant genes was not properly enabled and that Syngenta did not infringe on two other similar Monsanto patents. Syngenta Seeds, Inc. welcomes the news, saying it promotes competition in the marketplace. Monsanto believes the ruling is wrong and plans to appeal. "Today, farmers have numerous choices for controlling weeds in their fields and we look forward to continuing to compete with our glyphosate-tolerant corn products in the field, and in continuing to earn the farmer's business," said Carl Casale, executive vice president of Monsanto. "We've anticipated that Syngenta will work from a non-Monsanto technology platform for some time and our financial projections are consistent with this assumption." "We are extremely pleased with

this decision that confirms our right to sell GA21 products," said Mike Mack, COO of Syngenta Seeds. "This decision is good news as it promotes competition and thus more choice for growers."

In an effort to curb obesity, the European Parliament Tuesday passed the first European Union-wide regulation on how food companies make claims for "low fat" or "high vitamin" products. This the first time that the E.U. has set common rules on labeling of vitamins, minerals and food additives. Under the rules, for example, food companies will be required to provide the amount of sugar in "low fat" yogurts or other diet foods. The bill is still to be approved by E.U. governments.

The Environmental Protection Agency (EPA) announced a new National Strategy for Agriculture----designed to initiate a closer partnership with the agriculture community to address environmental issues. EPA Administrator Stephen Johnson said in a statement that the agency "considers agriculture a producer of solutions to environmental problems. EPA intends to use communication, collaboration, and innovation to strengthen its relationship with the agricultural community. More information about the initiative is available on the EPA website at http://www.epa.gov/agriculture/agstrategy.html

As rural populations decline, community leaders across the country find themselves concerned about how to hold on to young residents--and attract young families to rural places. But young people are, in fact, making lives for themselves in rural America--launching new businesses, keeping family farms in production, starting new farms, and becoming involved in their local communities. A new effort, launched by **Renewing the Countryside**, a Minneapolis-based non-profit organization, in partnership with the **USDA's Sustainable Agriculture Research and Education (SARE) program,** hopes to

document this trend. The organization is seeking stories, as well as young writers and photographers to be part of the /Youth Renewing the Countryside/ production team this summer. This "book in progress" aims to capture the best stories of hope and youth-led renewal in rural America. The book will form the basis for a national public education campaign about the role of young people in sustaining and revitalizing rural communities. The deadline for nominations is June 15, 2006. Contact Beth Munnich (beth@rtcinfo.org or (866) 378-0587) for more information.

Best regards,

Sara Wyant Editor

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